



Introduction to MRA

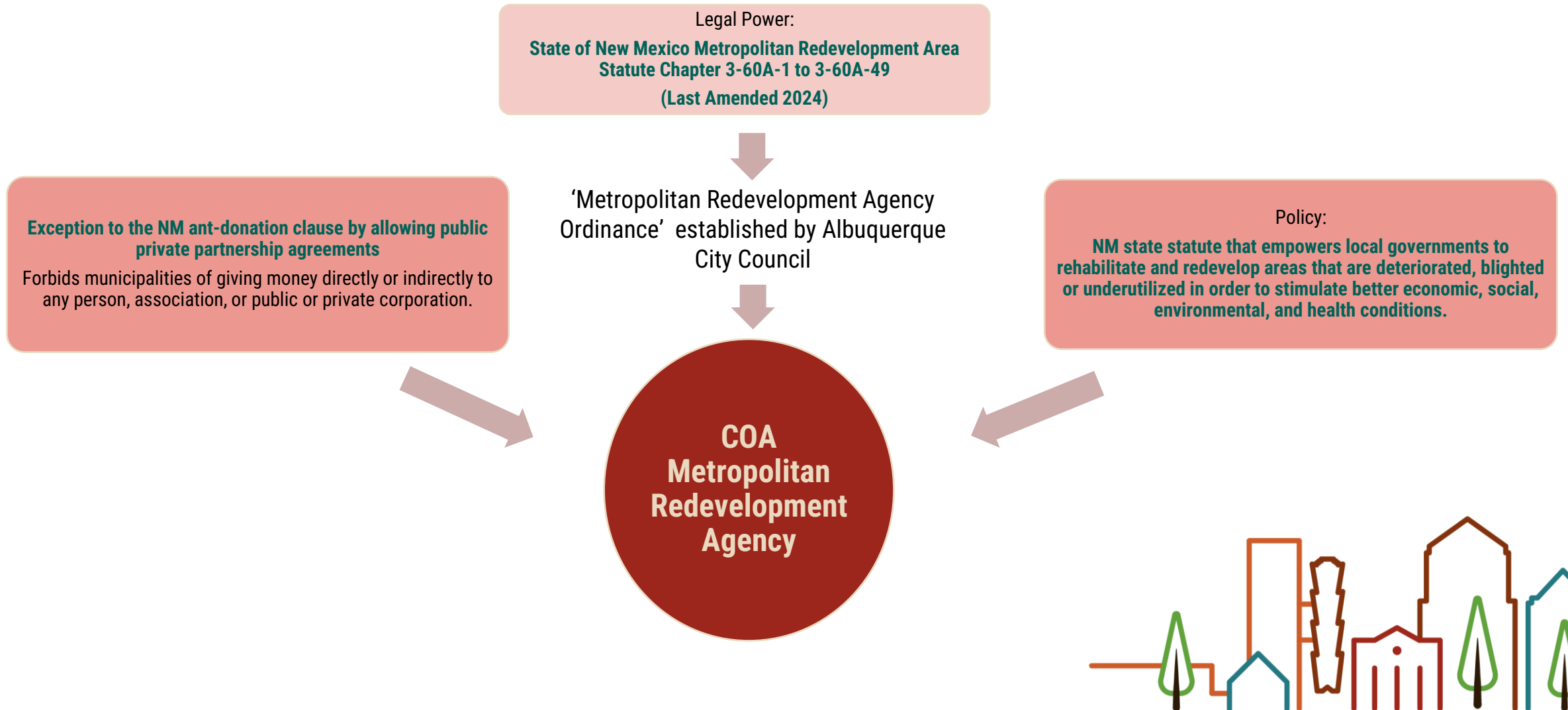
(Metropolitan Redevelopment Agency)

Albuquerque Affordable Housing Coalition
Membership Meeting
September 11, 2024



What is Metropolitan Redevelopment?

- Tool to support development and communities (e.g. neighborhoods, towns, cities)



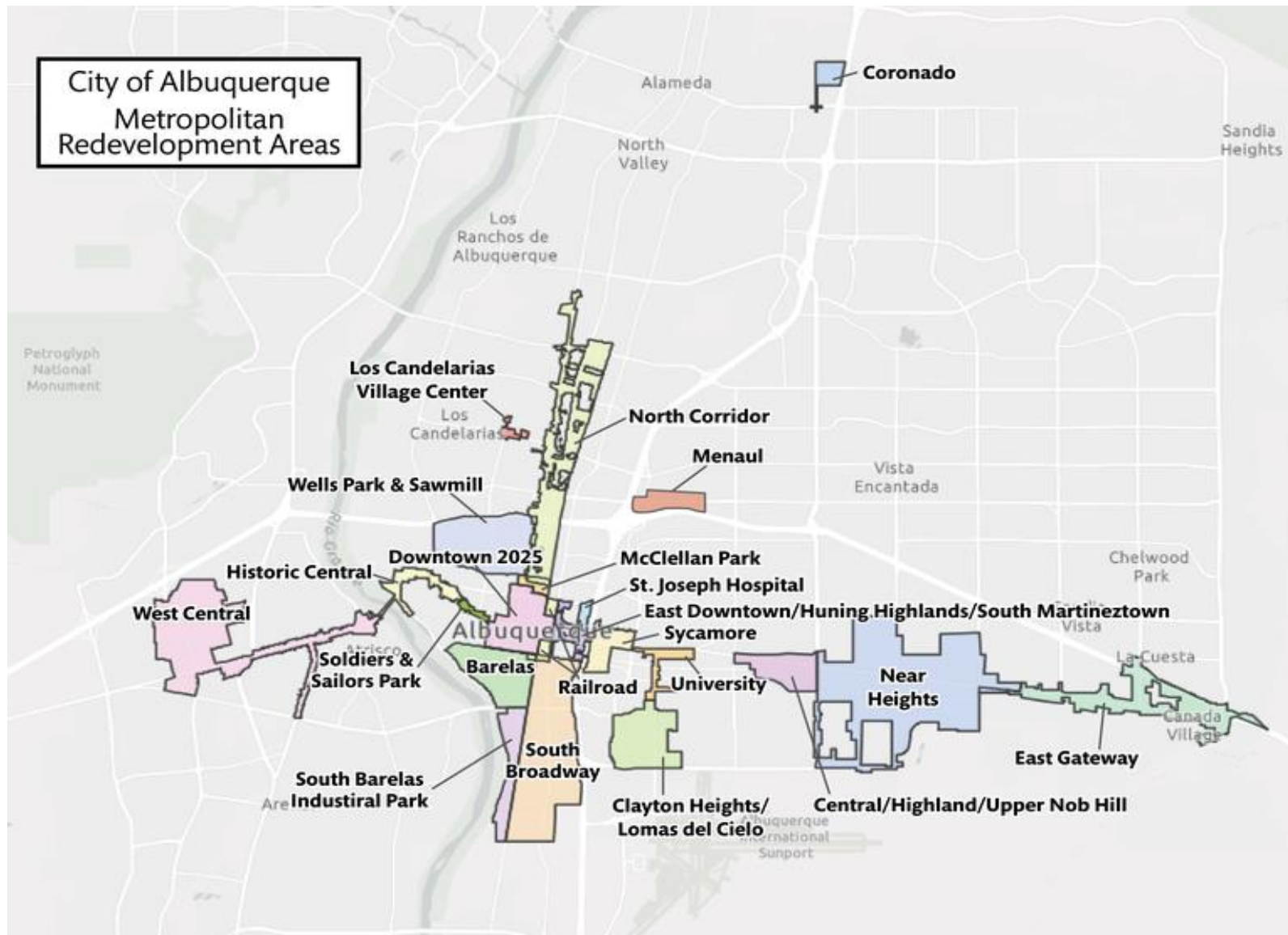
What is the Metropolitan Redevelopment Agency?

MISSION

Revitalize downtown and the Central Avenue corridor, leading collaborative public-private partnerships that result in catalytic change, investing in sustainable infrastructure, and providing opportunities for local residents and businesses to thrive.



Metropolitan Redevelopment Areas with Approved Plans








- A Metropolitan Redevelopment (MR) Area must first be designated.
 - Area must meet criteria as “slum” or “blighted” (§3-60A-8).
 - Only City Council has authority to designate an MR Area.
- Then, a Plan for redevelopment of the area is established and approved by City Council.
- MRA can only operate in MR Areas with an approved plan.



What makes MRA Unique?

MR Agency Toolbox

BONDS	BROWNFIELDS	FEE WAIVERS	PROJECTS	GRANTS
				
7- year property tax abatement ~ 5% total project costs	Low-interest loans for remediation action of asbestos, lead based paint, pigeon droppings	Waiver of CABQ impact fees- streets, parks, open space, drainage, fire, police Does not waive ABCWUA water and sewer impact	City can acquire property and dispose through an RFP. Property can be contributed in exchange for community benefit	Grant programs can fund private enterprise and public-private partnerships, and help fund improvements to the existing infrastructure.

- MRA can acquire land and allocate it for development to a private developer.
- Allocate funds for development proposal that meets the metropolitan redevelopment area plan.
- Planning and building permit fee waivers and fast-tracking for project in MR Areas.
- Provide direct assistance (grants, gap funding, etc.) to private businesses.

Redevelopment of the El Vado Motel After



MRA Programs and Projects



Redevelopment Tax Abatement (RTA) Overview

- Abates all incremental property taxes for 7-years
 - In other words, the property taxes are frozen at pre-development levels.
- Taxes before development must continue to be paid.
- City takes ownership of property (on paper) and leases back to developer.
- City subordinates to lender (to allow financing to be viable).
- Approximate value \$8,000- \$11,000 per unit



Redevelopment Tax Abatement Projects



Garfield Townhomes

- 16 market-rate, 1-bd townhomes
- University MR Area
- 7-year Tax savings: \$151,209
- Community benefits:
 - Sustainability
 - Missing-middle
 - Density
 - Development Vacant Lot



El Parador

- 20-unit multifamily, market-rate
- University MR Area
- 7-year Tax savings: \$119,436
- Community benefits:
 - Sustainability
 - Missing-middle
 - Density
 - Redevelopment of Parking Lot



Somos

- 70-units affordable housing (84% of units income restricted)
- Near Heights MR Area
- 7-year Tax savings: \$514,376
- Community benefits:
 - Sustainability
 - Missing-middle
 - Density
 - Adds small retail
 - Development Vacant Lot



The 66

- 96-unit multifamily building, market-rate
- Central/ Highlands/Upper Nob Hill MR Area
- 7-year Tax savings: \$652,543
- Community benefits:
 - Sustainability
 - Density
 - Development Vacant Lot



Impact Fee Waivers & Fast-Tracking

- Automatic fee waiver applies to any project in a metropolitan redevelopment area
 - City will waive parks, street, open space, trails, police, fire, and drainage impact fees
 - Does NOT waive sewer, water, building plan review or building permit fees
 - Approximate value \$1,500/ multi-family unit
- Fast Track for Housing Developments
 - Expedited Administrative review and building permits for residential projects



Tax Increment Financing (TIF) Districts

- 2023 & 2024 Amendments to MR Code allow MRA to designate Tax Increment Financing Districts in Metropolitan Redevelopment Areas
 - Up to 75% of property tax and gross receipts tax increment
 - Collection on entire district, not single projects
 - City, County and State Taxes can be collected and returned to the District from which they originated
 - Allows, but does not require bonds to be issued to use for projects
 - 20-year time frame for designated districts
 - More flexible use of TIF than was previously allowed
 - Can be used on a wide variety of projects (infrastructure, housing, public-private partnerships, direct grants, services, redevelopment projects)
- Effective date to January 1, 2025
 - Where will the first TIF be?

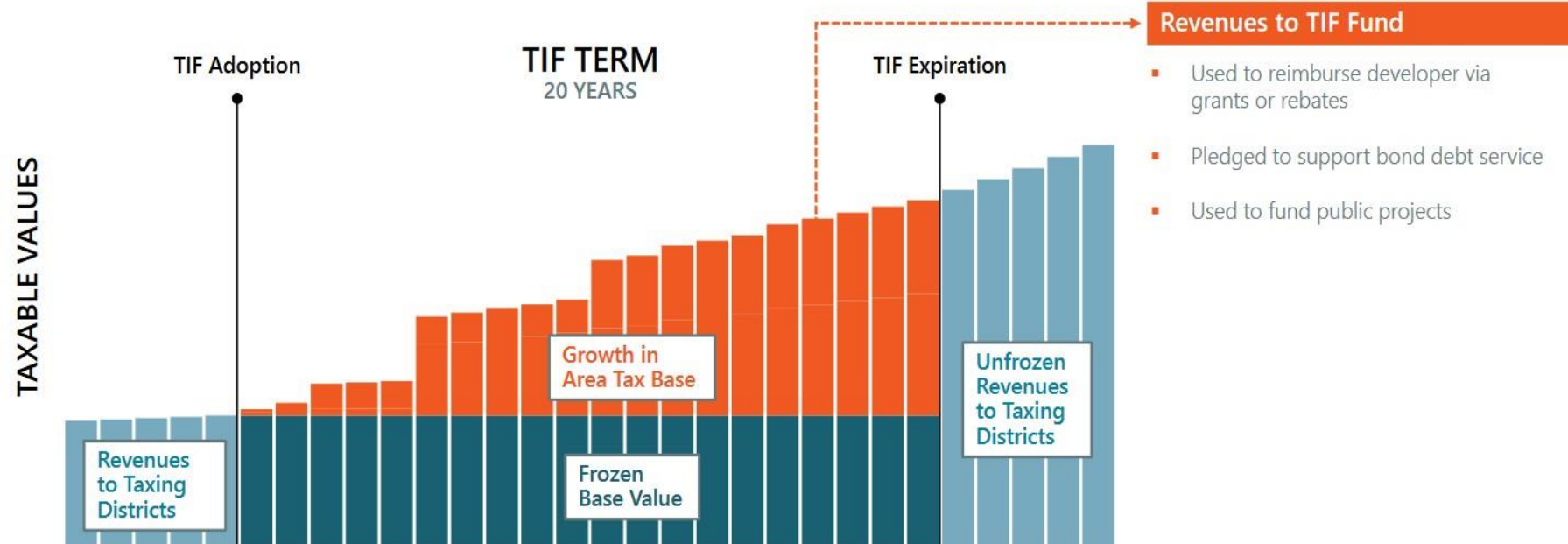


Tax Increment Finance Basics

HOW DOES TIF WORK?

TIF captures the incremental growth in taxes generated within a defined area

- TIF captures the incremental growth in tax revenue generated within a defined area. These revenues can then be used to finance infrastructure projects and other improvements within the district in order to spur development.



Example TIF Revenue Projections: East Gateway

DRAFT

DOWNTOWN 2025 MRA Cumulative Revenue Projections

20-YEAR INCREMENTAL COLLECTIONS (LIFE OF TIF)

		No TIF	New MRA TIF
25% Participation Scenario	MRA	\$0	\$44,526,000
	City	\$75,130,000	\$63,028,000
	County	\$30,001,000	\$25,050,000
	State	\$54,154,000	\$45,500,000

		No TIF	New MRA TIF
50% Participation Scenario	MRA	\$0	\$49,285,000
	City	\$75,130,000	\$69,786,000
	County	\$30,001,000	\$27,631,000
	State	\$54,154,000	\$50,439,000

		No TIF	New MRA TIF
75% Participation Scenario	MRA	\$0	\$55,733,000
	City	\$75,130,000	\$78,941,000
	County	\$30,001,000	\$31,129,000
	State	\$54,154,000	\$57,130,000

5-YEAR INCREMENTAL COLLECTIONS (AFTER TIF END)

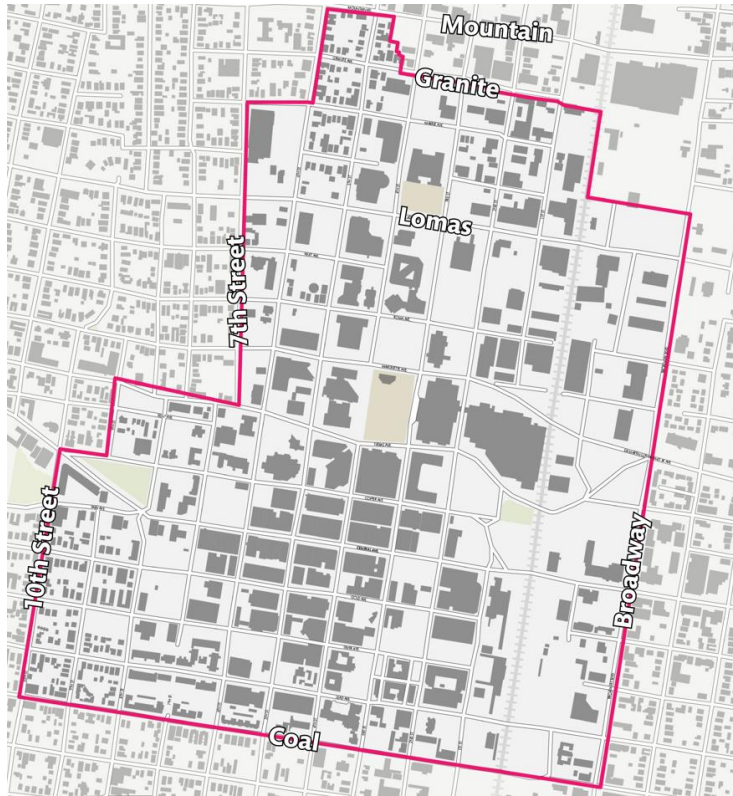
		No TIF	New MRA TIF
25% Participation Scenario	MRA	\$0	\$0
	City	\$44,729,000	\$51,458,000
	County	\$17,952,000	\$20,537,000
	State	\$32,189,000	\$37,099,000

		No TIF	New MRA TIF
50% Participation Scenario	MRA	\$0	\$0
	City	\$44,729,000	\$58,453,000
	County	\$17,952,000	\$23,224,000
	State	\$32,189,000	\$42,202,000

		No TIF	New MRA TIF
75% Participation Scenario	MRA	\$0	\$0
	City	\$44,729,000	\$68,219,000
	County	\$17,952,000	\$26,975,000
	State	\$32,189,000	\$49,327,000



A World of Possibilities



festoon
development

lights

culture

grants

streets

sidewalk

wayfinding

spaces

infrastructure

services

signage

parklets

affordable

businesses

bicycles

redevelopment

walking

beautification

boutique

downtown

wayfinding

infrastructure

murals

parklets

affordable

signage

housing

services

lighting

support

investments

redevelopment

walking

improvements

transportation

green



MRA Developments - Requests for Proposals

- Gap funding for redevelopment projects
 - Help developers leverage funds
 - Current RFP open until 9/27/24: \$4 million for Housing conversion project in any MR Area
- Land “Disposal”
 - Direct allocations of land for development
 - 2024 will announce RFP two parcels in East Gateway MR Area
- Redevelopment Projects
 - Public-Private partnerships for specific development projects
 - Current RFI for new development in International District on vacant parcel (San Mateo/Kathryn)
- Future Plans:
 - Redevelopment around the Rail Trail
 - Low-income artist housing in Downtown

What do
you want
in your
neighborhood?



MRA Supports Community Efforts

- Help establish Business Improvement Districts (BIDs)
 - A BID is an area where the property owners agree to pay an additional tax on themselves for infrastructure, business improvements, community safety initiatives, etcetera
 - BIDs cannot include residential properties
 - Once the City receives a request from 51% of the property owners in the area to create a BID, MRA will complete market study and plan, and assist in formation of BID
 - City Council must approve the BID
 - BID is run by it's own board
 - Downtown businesses are currently in the process of gathering signatures for the formation of a Downtown BID
 - A BID can be in any commercial district

Other MRA support:

- Work with Main Street Organizations to achieve their goals
- Connect businesses and entrepreneurs to Economic Development Department and Small Business Association
- Help coordinated community volunteer projects, such as public art and beautification projects





MRA Resources

MRA Website:

<https://www.cabq.gov/mra>

- Join MRA Mailing List
- Attend community and planning events
- Read recent MRA news
- Find RFP's

Albuquerque Development Commission:

<https://www.cabq.gov/mra/albuquerque-development-commission>

3rd Thursday of each month @ 2:00 PM, on Zoom

Invite us to your Neighborhood or Business Association or School:

<https://www.cabq.gov/mra/mra-event-requests>

Planning Department Fee Waivers and Fast Housing:

<https://www.cabq.gov/planning>

*Share your
program and
policy ideas
with us!*



Questions?

Contact

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